

6.0 REPORTING

An essential aspect of implementing a new retirement plan is the effective reporting of plan activity. In this effort, the CB Benefit Program team worked aggressively with representatives of the Employer Advisory Committee and continues to work with participating employers to develop reporting criteria for the CB Benefit Program. It is important to the group to maintain consistency in reporting CB Benefit Program and DB Program contribution information to CalSTRS. Key to this effort was the need to make the addition of the CB Benefit Program an easy transition. As a result, the following are key reporting processes for the CB Benefit Program:

EXISTING:

- MR87 (Member Status/Name Change Notification Form) -- modified to include CB Benefit Program transaction codes.
- F-496 (Report of Retirement Contributions) -- no modifications

NEW:

- Voluntary Deduction File (VDF) -- required to report CB Benefit Program contribution detail.
- CB Benefit Program Remittance Advice (RA) -- accompanies the CB Benefit Program remittance (warrant) and reflects the amount of funds. The RA must also be forwarded (by mail or fax) to CalSTRS when contributions are sent via Direct Deposit or Wire Transfers.

6.1 MR87- Member Status/Name Change Notification Form

The existing MR87 process will require changes to include Transaction Codes specific to CB Benefit Program participation. (See sample Transaction Codes listing at end of this section). The following are the relevant CB Benefit Program Transaction Codes:

TRANSACTION CODE

DESCRIPTION

- | | |
|-----------|---|
| 06 | Establishes a CB Benefit Program participant account for a qualifying employee. |
| 09 | Allows CB Benefit Program contributions for overtime service performed for an employer if full-time employment is performed for a <u>different employer</u> (as long as the overtime service is subject to mandatory Social Security coverage for that employer.) |

NOTE: When submitting an MR-87 with CB transactions codes, the field entitled 'employment date' refers to the actual date for *this* specific transaction.

6.2 F-496- Report of Retirement Contributions

The existing F-496 process has not changed. All CB Benefit Program participants, who are not DB members, should be reported as you currently report any employee who is contributing to an alternative plan or Social Security in lieu of DB Program: as a Member Code 2, DB Plan Non-Member status. When reporting DB members with CB covered overload/overtime service, they must be reported as Member Code 1, with a contribution code of 09 with no contributions. The actual contribution amounts being submitted to the CB Benefit Program will not appear on the F-496 but will be reported on the new Voluntary Deduction File (VDF). An illustration of a typical F-496 appears at the end of this section.

NOTE: As a reminder, all reporting entities are required to report all non-member and overload/overtime service to CalSTRS.

6.3 VDF - Voluntary Deduction File

The VDF is used to submit contribution detail for CB Benefit Program participants only (see illustration at end of this section). A record layout for the VDF to assist employer data processing staff in the development of the VDF is also located at the end of this section.

6.3.1 VDF - Reporting Due Dates

Recognizing that different employers have different pay dates, employers are permitted to submit a VDF every pay date, but no less frequently than once per pay period (month). Once determined, employers should submit to the CB Benefit Program a VDF reporting schedule including a list of all pay dates (the date the salary was actually paid). Please note CalSTRS must receive the VDF no later than the 10th working day following the last day of the pay period in which the salary was earned.

6.3.2 Submitting the VDF

To effectively manage the submittal of the VDF, CalSTRS requires the following submission criteria:

1. Reporting source - County offices of education (COE) will submit the VDF directly to CalSTRS. CalSTRS will allow fiscally independent districts to report directly to CalSTRS, if agreed upon between the district, county office of education, and CalSTRS.

NOTE: The F-496 detail for employees of the fiscally independent districts will continue to be reported through the COE.

2. The VDF may be submitted at the close of each payday, but no less frequently than once per pay period (month).
3. Salary or Earnings – This field is mandatory and must be reported. If you were a CB participating employer prior to January, 1998, this requirement will not be enforced until:
 - a) A change in Data Processing, payroll or financial systems is made; OR,
 - b) You become an independently reporting CB employer; OR,
 - c) July 1, 2002, *whichever comes first*.

6.3.3 Negative VDF

Remittance of negative adjustments must be submitted on the current VDF. You do not need to submit a separate VDF for corrections. However, the VDF *contribution total (line 03)* cannot be a negative amount. Please contact your CB Benefit Program reporting liaison prior to submitting any negative adjustments on a VDF.

6.4 Reporting Test Data

Employers must submit test data prior to the initial data submission. *Test VDF's must include negative and prior period adjustments.* Fictitious data or actual employee/employer contribution data can be submitted. CalSTRS will run the file and verify that the output data format matches the CB Benefit Program input data format. We will validate that the fields that have been defined as numeric or alpha/numeric have numeric and alpha/numeric data. If the data submitted successfully matches the format, the employer will be requested to send in actual employee/employer contribution data for their first official VDF to CalSTRS.